The President's Weekly Address

June 12, 2010

More than a decade ago, Congress set up a formula that governs how doctors get paid by the Medicare program. The intent was to slow the growth of Medicare costs, but the result was a formula that has proposed cutting payments for America's doctors year after year after year. These are cuts that would not only jeopardize our physicians' pay but our seniors' health care.

Since 2003, Congress has acted to prevent these pay cuts from going into effect. These votes were largely bipartisan, and they succeeded when Democrats ran Congress and when Republicans ran Congress, which was most of the time.

This year, a majority of Congress is willing to prevent a pay cut of 21 percent, a pay cut that would undoubtedly force some doctors to stop seeing Medicare patients altogether. But this time, some Senate Republicans may even block a vote on this issue. After years of voting to defer these cuts, the other party is now willing to walk away from the needs of our doctors and our seniors.

Now, I realize that simply kicking these cuts down the road another year is not a long-term solution to this problem. For years, I've said that a system where doctors are left to wonder if they'll get fairly reimbursed makes absolutely no sense. And I am committed to permanently reforming this Medicare formula in a way that balances fiscal responsibility with the responsibility we have to doctors and seniors. In addition, we're already taking significant steps to slow the growth of Medicare costs through health insurance reform, not by targeting doctors and seniors, but by eliminating 50 percent of the waste, fraud, and abuse in the system by 2012. This not only strengthens Medicare, it saves taxpayer dollars.

I'm absolutely willing to take the difficult steps necessary to lower the cost of Medicare and put our budget on a more fiscally sustainable path. But I'm not willing to do that by punishing hard-working physicians or the millions of Americans who count on Medicare. That's just wrong. And that's why in the short term, Congress must act to prevent this pay cut to doctors.

If they don't act, doctors will see a 21-percent cut in their Medicare payments this week. This week, doctors will start receiving these lower reimbursements from the Medicare program. That could lead them to stop participating in the Medicare program, and that could lead seniors to lose their doctors.

We can't allow this to happen. We have to fix this problem so that our doctors can get paid for the lifesaving services they provide and keep their doors open. We have to fix this problem to keep the promise of Medicare for our seniors so that they get the health care they deserve. So I urge Republicans in the Senate to at least allow a majority of Senators and Congressmen to stop this pay cut. I urge them to stand with America's seniors and America's doctors.

Thanks.

NOTE: The address was recorded at approximately 3:15 p.m. on June 11 in the Lower Cross Hall at the White House for broadcast on June 12. The transcript was made available by the Office of the Press Secretary on June 11 but was embargoed for release until 6 a.m. on June 12. The Office of the Press Secretary also released a Spanish language transcript of this address.

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